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IN THE

Supreme Court of the United States

OCTOBER TERM, 1966

TASTEE FREEZ INDUSTRIES, INC.,
Petitioner,

vs.

KING-SEELEY THERMOS CO.,
Respondent.

RESPONDENT'S BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SEVENTH CIRCUIT

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STATEMENT OF THE CASE

Petitioner's statement of the case is incorrect insofar as it relates to the basis of the decisions of the Court of Appeals for the Seventh Circuit and the Trial Court.

The Trial Court made 27 findings of fact, the following of which are the most relevant ones insofar as the petition for certiorari is concerned (R. 320-321).

9. Flake ice making machines of both Plaintiff and Defendant were operated and made ice in Courtroom demonstrations. A motion picture film of these machines making flake ice was shown to the Court. These demonstrations and the film clearly established that a machine without a breaker head in the freezing cylinder, and thus like the Nitsch machine, made only soft pieces of ice which contained substantial unfrozen water and which would not be satisfactory flake ice or chips. The same machine with a breaker head in the freezing cylinder substantially like that shown in the '694 patent drawing as well as with Plaintiff's improved variations thereof produced satisfactory flake ice which would not weld together in a storage bin and which was substantially harder, drier and smaller than the pieces of ice obtained from the Nitsch type machine.

11. It is the combination covered by the patent claims in suit and including a breaker head in the open end of the freezing cylinder having a deflecting or mold-board-like surface against which the slushy column of ice is conveyed by the rotating auger so as to simultaneously compress the ice, squeeze out water, break up the ice into chips and discharge it out of a side opening in the cylinder which distinguishes it from the Nitsch machine and the other prior art relied upon by Defendant and which has made both Plaintiff's and Defendant's machines successful. This combination would not have been obvious to a person having ordinary skill in the ice making art in 1951 when the invention covered by the '694 patent was made.

12. The demonstrations of all three accused models of Defendant's machines and of Plaintiff's patented machines clearly established that all of these machines

make satisfactory flake ice substantially alike. The demonstrations, which permitted the action of the ice against the various breaker heads in the freezing cylinders to be seen, established that in all of Defendants' accused machines there were breaker heads which had mold-board-like surfaces against which the slushy column of ice was impinged so that the ice was compressed, water was squeezed out and individual or discrete ice chips were discharged through the side opening in the cylinder. This is the same action that occurs in the machine disclosed in the '694 patent in suit.

20. Claims 2 and 4 of the '694 patent define a new combination of elements which cooperate together in a new modus operandi to produce a new, different and unobvious result.

21. Claims 2 and 4 of the '694 patent are fully supported by the disclosure of said patent and these claims do particularly point out and distinctly claim the invention so disclosed. No new matter which would render the '694 patent invalid was added to the patent application which resulted in the '694 patent during the prosecution in the Patent Office.

22. None of the prior art devices or patents relied on by Defendant disclose or teach the combination of elements called for in claims 2 and 4 of the '694 patent and none of these prior art references are capable of producing useable flake ice in the manner taught by the '694 patent.

The Seventh Circuit Court of Appeals in its decision in this matter (which is set forth at pages 1a-10a of the Petition for Writ) stated at pages 4a, 8a, 9a and 10a thereof as follows:

4a

* * * * *

"In the operation of the machine, an upright cylindrical freezing chamber is filled with water almost to the top. The water bathing the inside wall of the chamber freezes on it. A rotary auger scrapes the ice from the inside wall of the chamber, moving it upwards as a column of thin, wet layers of ice. When the column of ice reaches the top of the chamber, it meets an 'ice peeling mold-board-like surface' which deflects the ice sidewards through an opening, from which the ice falls into a storage bin. This ice peeling surface, however, serves a further and most important function, one not claimed in patent '694.

"As the rising column of ice is forced up against the ice peeling surface, the thin, wet layers of ice are compressed, excess water trapped between the layers of ice is squeezed out, and the ice is delivered to a discharge opening in a dry condition. This dryness of the ice is critical, for without it, the ice and machine would suffer the same problems which occurred in the operation of the Nitsch ice machine; and the ice made would not be acceptable commercially." * * *

8a and 9a

* * * * *

"Tastee Freez argues that a patent is invalid if its specification fails to disclose that which the patentee asserts distinguishes the claims from prior art. It further argues that the entire specification of the '694 patent is that the ascending column of ice is broken by a splitting element, a knife-like edge, and then wedged apart to peel it from the auger shaft, and that compression of the ice is not revealed.

"The trial court, however, found that while the '694 machine performed the splitting and wedging

functions, it further compressed the rising ice and squeezed the water out of it.

"While the '694 specifications do not describe the compressing function, the structure and operation of the machine which the patent discloses do result in the compressing function. A patentee is entitled to all the benefits and advantages of his invention whether or not they are mentioned in the patent. *Talon, Inc. v. Union Slide Fastener, Inc.*, 9 Cir., 266 F. 2d 731, 734 (1959) and cases cited there."

* * * * *

"Evidence before the trial court revealed that the speed of rotation of the auger of the '694 machine could be adjusted, and that this adjustment would affect the softness or wetness of the ice scraped by the auger. The evidence also demonstrated that if the ice on the wall of the cylinder was not somewhat wet or slushy, the machine would freeze up and jam. Thus, if the machine were to run without jamming, wet or slushy ice would be produced.

"In order for the trial court to make the findings and draw the conclusions it did, it had to find for King-Seeley on the issue of whether the '694 machine was intended to produce slushy ice. Since none of the findings of the trial court with respect to the '694 patent have been shown to be clearly erroneous, they will not be disturbed. Federal Rules of Civil Procedure, 52(a), 28 U.S.C.A.

"Tastee Freez sought to introduce evidence of King-Seeley's later '209 patent, in the file history of which King-Seeley apparently claimed that the concept of producing only slushy ice was then new. It is argued that where the file history of a subsequent patent throws light upon the scope of the invention of the patent in suit, the file history of the subsequent patent is admissible into evidence."

"While this argument may be correct, it does not have application in this case. Since the duty of the trial court was to determine how a device which embodied the '694 patent in fact operated, its exclusion of the file history of the later '209 patent was proper. The file history of the later patent could not be relevant to a determination of the machine's operation through empirical demonstration.

* * * * *

"We conclude that claims 2 and 4 of the '694 patent in suit are valid over the cited prior art and particularly the Nitsch '515 patent which was before the patent examiner; that the claims in suit fully meet the requirements of patentability under 35 U.S.C.A. §§101, 102 and 103 (including non-obviousness); and that the patent was infringed by defendant's charged devices.

"Our review of Circuit Judge Pickett's thorough and well-reasoned opinion in *King-Seeley Thermos Co. v. Refrigerated Dispensers, Inc., et al.*, 10 Cir., — F. 2d — (Dec. 27, 1965), finds us in complete accord with its holding. We cite it as authority supporting our holdings herein." * * *

ARGUMENT

The petition in this case raises no question requiring or justifying review by this Court. The only issue raised by Petitioner's first question—i.e., whether the invention of the Trow '694 patent is described and claimed therein as required by 35 USC 112—has been carefully and fully considered by both courts below and decided in Respondent's favor. (Finding 21, R. 323; CA 7, pp. *8a* and *9a* of petition.) The second question raised by Petitioner is not even

presented by the facts of the present record. Under the guise of this question, Petitioner again seeks relief on the often-urged ground of file-wrapper-estoppel. Both courts below rejected the arguments there made by Petitioner upon this ground by holding the patent claims in suit valid and infringed.

Neither issue presented by Petitioner raises any question of conflict with other Courts of Appeal or with this Court nor any unsettled question requiring review by this Court. Instead, this is plainly and simply a patent controversy of a familiar pattern in which Petitioner sought to justify its appropriation of Respondent's developments by denying validity and infringement and having been defeated in both courts below now seeks a third hearing in this Court of fact questions carefully considered and decided by the courts below. Such a case does not warrant review by this Court. (*Magnum Import Company v. Coty*, 262 U.S. 159; 67 L. Ed. 922.) The petition should therefore be denied.

I

The arguments made by Petitioner in support of the first question have been previously made not only in the Seventh Circuit Court of Appeals in the instant case, but also in the Tenth Circuit Court of Appeals in the case of *King-Seeley Thermos Co. v. Refrigerated Dispensers, Inc., et al.*, 354 F. 2d 533 (1965). These arguments were rejected by both courts of appeals, and the patent claims involved in each case were held valid and infringed.

Contrary to Petitioner's argument, the Courts below did not sustain the patent claims in suit on any feature not fully disclosed in the specification of the patent in suit nor distinctly claimed in the patent.

Claims 2 and 4 of the '694 patent in suit (the only claims of the patent which are involved in this litigation) spell out the various components of the patented flake ice making machine in substantial detail and the Courts below have found that these patent claims are fully supported by the written specification of the patent, do define a new and patentable combination of elements which is not shown in any of the prior art patents or machines relied on by Petitioner and that the machines disclosed and claimed in the patent did solve a long-standing problem and permitted usable flake ice to be economically produced. (Findings 10, 20, 22, R. 321, 323; CA 7, pp. *7a and 10a;* this petition.)

The Courts below found the specific combination of elements called for in the patent claims in suit to be new, and they found that this patented combination of elements did simultaneously compress the ice being made, squeeze out water and break the ice into chips which are discharged through an opening in the ice making chamber. The Courts below stated that while the '694 patent did not specifically describe the compressing function performed by the claimed mechanism, the demonstrations, moving picture film and tests shown to the Trial Court clearly established that compressing of the ice did occur in the machine disclosed and claimed in detail in the '694 patent. Both Courts below consequently and correctly applied the rule that a patentee is entitled to all the benefits and advantages of his invention whether or not they are specifically mentioned in the patent. (Findings 9, 11, 12, R. 320, 321; C.A. 7, pp. *8a* and *9a,* this petition.)

Radio Corp. v. Radio Engineering Lab., 293 U.S. 1, 14;

Corona Cord Tire Co. v. Donovan Chemical Corp., 276 U.S. 358, 369;

Talon, Inc. v. Union Slide Fastener, Inc., C.A. 9 (1959) 266 F. 2d 731, 734.

More particularly, as found by the Trial Court (Finding 11, R. 321) the key to the success of the machine of the '694 patent is the provision within the freezing cylinder 12 of the breaker head 23. Absent this breaker head, the machine produced the slushy unacceptable ice that characterized the Nitsch machine; with the breaker head in place within the freezing cylinder the same machine produced satisfactory flake ice. It is not disputed that the breaker head and its location within the freezing cylinder are clearly and explicitly shown and described in the '694 patent and recited in the claims in suit; nor is it disputed that the '694 machine, containing the breaker head performed the function of compressing slushy ice, eliminating water therefrom and producing acceptable flake ice. This is in direct contrast to the situation in *Permutit Co., v. Graver Corp.*, 284 U.S. 52; 76 L. Ed. 163 (1931), discussed at page 6 of the petition for writ of certiorari. In that case the Court found that there was no disclosure in the patent specification or claim of the very *structure* urged to be the invention. The court in that case said at page 56:

> "The only invention seriously urged under claim 1 is the substitute of a 'free' for a 'locked' zeolite-bed, a matter which is not referred to either in the specification or in the claim."

The court then went on to state in that case at page 57:

> "For even if a patent for a 'free' bed might have been valid, that sued on is invalid for lack of disclosure prescribed by Rev. Stat. §4888 U.S.C. Title 35, §33."

II

In question No. 2 Petitioner seeks a ruling that Respondent should be estopped from urging such an interpretation of the claims in suit as will make them the same as claims which were rejected and cancelled from a later-filed Nelson application (now patent No. 2,825,209) covering a later-invented refinement of the invention of the '694 patent. As noted above, this issue is not even presented by the record in this case. The only claims in suit, Nos. 2 and 4, are directed with considerable particularity to the structure and arrangement of the components of the patented machine, including the aforesaid breaker head and freezer cylinder. No counterparts of these claims ever appeared in the later-filed Nelson application or were cancelled therefrom, and Petitioner makes no effort to identify any such counterparts. Manifestly, rejection and cancellation of other and different claims from a later-filed application on a later-made invention afford no basis for asserting "file-wrapper-estoppel" with respect to the claims here in suit. Thus, *Exhibit Supply Company v. Ace Products Corporation*, 315 U.S. 126 and *Smith v. Magic City Kennel Club Inc., et al.*, 282 U.S. 784, cited by Petitioner, are not pertinent to this case.

The file history of the subsequent '209 patent was offered in evidence at the trial for the purpose of showing that the machine disclosed in the patent in suit could not operate to compress ice. The Trial Court excluded the file history of the subsequent '209 patent as being irrelevant for this purpose because the Court could determine whether ice was compressed in the machine of the patent here in suit by viewing the machine itself while it was operating in the courtroom and by viewing a close-up moving picture film which showed exactly what happened during the manu-

facture of the ice in the patented machine (R. 184-187). The Seventh Circuit Court of Appeals affirmed this ruling of the Trial Court by saying (page 10a of the Petition for Writ):

> "Since the duty of the trial court was to determine how a device which embodied the '694 patent in fact operated, its exclusion of the file history of the later '209 patent was proper. The file history of the later patent could not be relevant to a determination of the machine's operation through empirical demonstrations."

Thereafter Petitioner filed with the Seventh Circuit Court of Appeals a petition for rehearing in which it argued at page 5:

> ". . . that the file history of the '209 patent is relevant to an interpretation of what the patent office considered *unpatentable* to King-Seeley at the very time it was allowing the application that resulted in the '694 patent, and King-Seeley's acquiescence."

The petition for rehearing was denied by the Seventh Circuit Court of Appeals and now Petitioner comes to this Court and asks this Court to review a "file-wrapper-estoppel" question which doesn't even exist and can't exist because Respondent did not attempt to enlarge or stretch the meaning of the language of the patent claims in suit in order to prove infringement by Petitioner. There is clear and direct infringement of claims 2 and 4 of the patent in suit by Petitioner's machines as evidenced by the Trial Court's findings of fact 13, 14, 15, 16, 17 and 18 (R. 322-323).

CONCLUSION

For the foregoing reasons it is respectfully urged that the petition in this case raises no question requiring or justifying review by this Court and that the petition should be denied.

Respectfully submitted,

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